

March 4, 2005

Dear Friend,

As you may know, I am a strong proponent of increasing our nation's focus on preventive health and health promotion programs. However, we must not lose sight of the serious challenges our existing health care system faces. That is why I have very serious concerns about the President's proposed \$60 billion budget cuts to Medicaid over the next 10 years.

Each year, more than fifty million people benefit from the Medicaid health insurance program. Medicaid enrollment includes millions of children, disabled, and elderly individuals who receive assistance with inpatient services, prepaid health care, and prescription drugs for low-income individuals and families. The federal and state governments share the burden for Medicaid funding, averaging a \$250 billion total cost per year.

The President's proposed Medicaid cuts will mean a loss of almost \$450 million for New Mexico over the next ten years. Without Medicaid, many New Mexicans would have no health insurance coverage at all, and our state already ranks among the highest number of residents lacking health insurance. Our already fragile healthcare system cannot endure cuts of this magnitude to Medicaid.

We must ensure the financial stability of Medicaid, but we must ensure that our healthcare safety net is reliable, secure and provides quality care to our nation's poor and elderly. There are certainly ways to strengthen this vital program, but the true test of any reform will be the impact on those who depend upon this program—the children, developmentally disabled, blind, poor, and elderly. It is critical that any Medicaid reform be guided by a commitment to the health and security of our nation.

That is why I have cosponsored H.R. 985, the Bipartisan Commission on Medicaid Act of 2005. This bill would establish a 23-member Medicaid Commission to review the existing Medicaid system and make recommendations for reform. The Commission will have one year to hold public hearings, conduct its evaluations and deliberations, and issue its report and recommendations to the president, the Congress, and the public. For more information on this legislation please visit [here](#).

Very truly yours,

Tom Udall
Member of Congress